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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Letter dated 9 November 2012 from the President of the General Assembly to the Chair of the Fifth Committee

I have the honour to forward herewith a letter from the Secretary-General transmitting the report of the Senior Advisory Group established pursuant to General Assembly resolution 65/289 to consider rates of reimbursement to troop-contributing countries and other related issues (see annex).

(*Signed*) Vuk **Jeremić**

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Annex

Letter dated 19 October 2012 from the Secretary-General to the President of the General Assembly

I have the honour to transmit the attached report of the Senior Advisory Group established pursuant to General Assembly resolution 65/289 to consider rates of reimbursement to troop-contributing countries and other related issues.

(*Signed*) **BAN** Ki-moon

Letter dated 11 October 2012 from the Chair of the Senior Advisory Group on rates of reimbursement to troop-contributing countries and other related issues to the Secretary-General transmitting the report of the Group

I have the honour to submit to you the attached report of the Senior Advisory Group which you established, pursuant to General Assembly resolution 65/289, to consider rates of reimbursement to troop-contributing countries and other related issues.

The Group was initially convened in early 2012 and met six times between January and October. The composition of the Group was unique, as it combined experts appointed by you along with designees of Member States. This diverse composition has been a real strength in the Group's deliberations.

Our discussions took place in a very constructive and positive atmosphere and the informal procedures we adopted allowed for robust and candid exchanges. I am happy to report that this report's analysis and recommendations reflect a full consensus of all the Senior Advisory Group's participants.

The past three decades have seen profound political, economic and social change around the world. Since 1990, United Nations peacekeeping has gone through its own transformation, with an explosion in its breadth and complexity. Almost all aspects of United Nations peacekeeping — the mandates, the management systems, the modes of operation — have evolved markedly over this time. The system for reimbursing countries for their contribution of military personnel and formed police units, largely unchanged since 1973, merited an in-depth review.

We believe that the recommendations contained in the present report lay a strong foundation for an equitable, predictable and sustainable system for reimbursing the costs of providing troops. The Group also recommends immediate steps to ensure that supplemental payments continue until 30 June 2014.

We have been mindful of the need to design a system that would be relatively simple to administer and would lend itself to more rapid implementation than has been the case before. A more interactive data-collection process from a representative sample of troop- and police-contributing countries should yield better-quality data more quickly, provided flexibility and good judgement are allowed to be exercised along the way. Without presuming on the General Assembly's ultimate decisions on these recommendations, it would be wise, in our opinion, for the Secretariat to prepare itself for rapid implementation.

The Senior Advisory Group considered that reimbursement is just one element — albeit a vital one — in a much larger system. As a result, the report makes a number of recommendations to strengthen the broader partnership that must exist between the United Nations, its Member States and those among them that provide troops and police. It is in the interest of all, especially the troop- and police-contributing countries, that United Nations peacekeeping be conducted and supported in the most efficient and cost-effective way. The contribution that this extraordinary tool can make to maintaining international peace and security will be enhanced if all parties to the peacekeeping partnership live up to their obligations.

On a more personal note, let me express my gratitude to each of my colleagues in the Senior Advisory Group: Mr. Tekeda Alemu, Prince Zeid Ra'ad Zeid Al-Hussein, Major General Henry Anyidoho, Mr. José Luis Cancela, Mr. Hans-Joachim Daerr, Mr. James Dobbins, Mr. Abdullah Hussain Haroon, Mr. Paul Johnston, Mr. Macharia Kamau, Ms. Ellen Løj, Mr. Abulkalam Abdul Momen, Lieutenant General Patrick Nash, Lieutenant General Chikadibia Isaac Obiakor, Mr. Hardeep Singh Puri, Mr. Nicolas de Rivière, Lieutenant General Carlos Alberto Dos Santos Cruz, Major-General Andrii Taran and Mr. Jun Yamazaki. Mr. Maged Abdelaziz and Mr. Jean-Marie Guéhenno were also originally designated members of the Group, but were appointed to other important functions during the period of our review. Together, they have contributed to this review an impressive sum of knowledge and experience. They embarked on this challenging exercise with a constructive and collaborative spirit, making the task of the Chair considerably less daunting.

In addition, on behalf of the Group's members, I would like to express our gratitude for the excellent support received from members of the Secretariat in facilitating our work. Their wise advice has helped to ensure that our recommendations are sound and feasible. In particular I would like to recognize the work and commitment of Mr. Adrian Hills and Ms. Hannah Davies in supporting me as Chair of the Group.

Finally, I would also like to thank you, Mr. Secretary-General, for the confidence you have placed in me as Chair of this important group. It was a pleasure for me to be associated again with the United Nations, where I spent some of the most rewarding years of my professional life.

Louise **Fréchette**
Chair of Senior Advisory Group

Report of the Senior Advisory Group on rates of reimbursement to troop-contributing countries and other related issues

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I. Introduction

1. In its resolution 65/289, the General Assembly requested the Secretary-General to establish a Senior Advisory Group to consider rates of reimbursement to troop-contributing countries and related issues. The Assembly's request came after six months of intense and difficult intergovernmental negotiations over proposals to increase the standard rate of reimbursement. In the end, the General Assembly mandated a comprehensive review of the question of troop reimbursement and related issues by the Senior Advisory Group.

2. In the early days of peacekeeping, troop-contributing countries were reimbursed individually, on the basis of their actual costs. In 1974, in a decision on the financing of the United Nations Emergency Force and of the United Nations Disengagement Observer Force, the General Assembly decided that the rate of payment to troop-contributing countries for pay and allowances for their troops should be standardized. The base rate was set at $500 per person per month. A supplementary rate for a limited percentage of "specialists" within the total deployment was established at $150 per specialist per month.

3. The system came into effect in 1974. From the outset, it was recognized that there were wide variations in troop costs among troop-contributing countries and that in some cases the standard rates would not fully compensate troop-contributing Governments for all the costs they incurred (see A/9825/Add.2, para. 15). That portion of the costs not compensated by the standard rates of reimbursement would therefore be absorbed by the respective troop-contributing country. This amount, expressed as a percentage of the total cost incurred by each Government for providing troops, was later referred to as the "absorption factor" (A/40/845, para. 6).

4. Three years later, in 1977, the Secretary-General proposed a rate increase, based on data voluntarily submitted to him by the small number of countries contributing troops to the two active peacekeeping missions at that time. A rate increase to $680 per person per month and $200 for specialists was agreed by the General Assembly in its decision 32/416.

5. In 1980, the Secretariat began collecting and compiling cost data in a more systematic fashion. In its resolution 35/44, the General Assembly agreed again to increase rates that year on the basis of an assessment of the survey results, bringing the rates up to $950 per person per month and $280 for specialists. Since that time, four additional surveys have been administered by the Secretariat — in 1984, 1988, 1991 and 1996. In 1985, on the basis of the 1984 survey results, the Secretary-General recommended maintenance of the existing rates (see A/40/845, para. 12). In his report on the 1988 survey results, the Secretary-General again recommended no change to the rates (see A/44/500, para. 11). In 1991, the Assembly considered updated information from the 1988 survey (see A/45/582, para. 6). Member States then decided to increase the base rate to $988 and $291 for specialists (resolution 45/258). Another survey was conducted at the end of 1991, the details of which were transmitted to the Assembly the following year (A/47/776). The Secretary-General, in his 1994 report on the subject, concluded that the rates were "not unreasonable" and did not warrant an adjustment (A/48/912, para. 25). The most recent full survey cycle on the costs incurred by troop-contributing countries was initiated at the end of 1996, but the full results were not reported until early 2000. At that time, the Secretary-General stated that the results appeared to warrant an

upward adjustment in the rates (A/54/763, para. 31). However, in the intergovernmental deliberations on the subject later that year, some Member States cited problems in the reliability and validity of the data collected (see A/C.5/55/SR.62, paras. 12, 14, 25 and 27), and no decision was taken on the rate.

6. The 2001 Working Group of the General Assembly did not reach consensus on the reimbursement rates for troops (see A/C.5/55/39, paras. 85-93). In 2001 and 2002, two rate increases of 2 per cent each were approved by the Assembly on an ad hoc basis and unrelated to any empirical survey process (resolution 55/274, paras. 10 and 11). This increase brought the rates up to $1,028 per person per month and $303 for specialists — levels that have been maintained to the present time.

7. In 2011, in paragraph 72 of its resolution 65/289, the General Assembly decided to provide, on an exceptional basis, a one-time supplemental payment of $85 million to troop-contributing countries during the period from 1 July 2011 to 30 June 2012, without prejudice to the integrity of the process set forth in resolution 63/285. The $85 million payment was met from within the existing budgets of peacekeeping operations. In 2012, in paragraph 52 of its resolution 66/264, the Assembly decided to approve, on an exceptional basis, a one-time supplemental payment of $59,999,999 to troop-contributing countries for the period from 1 July 2012 to 31 March 2013.

8. The standard rates of reimbursement since the inception of the system are summarized in table 1.

Table 1
Standard rates of reimbursement
(United States dollars)

	Effective date						
Cost component rate of reimbursement	*October 1974*	*December 1975*	*October 1977*	*December 1980*	*July 1991*	*July 2001*	*January 2002*
Pay and allowances	500	500	680	950	988	1 008	1 028
Supplementary pay for specialists (25 per cent of logistic contingents and 10 per cent of other contingents)	150	150	200	280	291	297	303
Usage factor for personal clothing, gear and equipment	–	65	65	65	65	66	68
Usage factor for personal weaponry	–	5	5	5	5	5	5

9. General Assembly resolution 55/274, adopted in 2001, was the first real attempt to revisit the nature of the reimbursement along with its underlying purpose and principles since the inception of the system in 1973. In particular, Member States requested the Secretary-General to devise a new methodology for reviewing the reimbursement of troop costs. The Assembly also explicitly stated, for the first time, that the purpose of gathering cost data was to "identify common and essential additional costs" incurred in deploying to United Nations peacekeeping operations.

Finally, the resolution stipulated a set of principles, not intended to be exhaustive, but rather illustrative of the system and the data-collection exercise that underpins it. These were simplicity, equity, transparency, comprehensiveness, portability, financial control and audit and confirmed delivery of specified services.

10. In 2003, the Secretary-General submitted proposals for a new survey methodology (A/57/774). The General Assembly did not agree to these proposals in 2005 (see resolution 59/298), and a revised methodology was submitted the following year and resubmitted in 2009 (A/60/725 and Add.1). This new methodology was finally approved in General Assembly resolution 63/285. The new methodology consisted of a detailed questionnaire submitted to all troop- and police-contributing countries. It also contained threshold requirements whereby minimum rates of response to the survey were set at 60 per cent of the number of troop-contributing countries, or at least 25 per cent of total troops deployed by the responding troop-contributing countries in the three years prior to the survey. The new survey process, now in the third of an initial four-year data-gathering cycle, has seen low response rates and incomplete and inconsistent data.

11. As can be seen from this overview of past decisions, the United Nations has, over the past two decades, encountered difficulty in putting in place a clear and predictable system to help determine and adjust the rates of reimbursement to cover additional costs incurred by troop- and police-contributing countries deploying under the United Nations flag. Such a system is required to ensure that the United Nations can provide fair and equitable compensation to troop-contributing countries. It should also support the common objective of more effective United Nations peacekeeping operations and optimum use of resources, given the financial constraints faced by many Member States. A sustainable reimbursement system will necessarily depend upon a strong consensus among Member States regarding the contributions they make to peacekeeping, the kinds of tasks being given to peacekeepers, the preparedness of peacekeepers to carry out those tasks, the resources made available to deliver them and the systems to ensure that they perform them. The issue of reimbursement of troop-contributing countries is intrinsically related to important questions regarding the evolving role of United Nations peacekeeping and the partnership among Member States and the Secretariat that underpins it.

A. State of peacekeeping

12. United Nations peacekeeping is a flagship activity of the Organization, recognizable the world over, because it embodies the Charter goal of maintaining international peace and security. It provides a mechanism for all Member States to participate in a collective response to common global security threats.

13. Since the establishment of the first United Nations peacekeeping operation, there have been a series of phases, responding to shifting global patterns of conflict. The first phase was characterized mainly by so-called traditional missions — static separation and observer missions that focused on maintaining ceasefires between States. In the post-cold war era of the 1990s, peacekeeping missions were deployed more frequently and extensively to address intra-State as well as inter-State conflict. This gave rise to the multidimensional and integrated United Nations operations that predominate today.

14. United Nations peacekeeping operations are more diverse than ever. Their mandates are highly complex and cover a broad range of political, security and peacebuilding goals, which may include:

(a) Traditional ceasefire monitoring functions between two or more parties;

(b) Support to complex peace processes and national authorities in the aftermath of civil conflict;

(c) The extension of initial security and stability gains into longer-term peacebuilding;

(d) The provision of security, often including protection of civilians in response to continued conflict;

(e) Enabling functions in support of other peace and security actors, including through capacity-building;

(f) Joint or closely coordinated operations with regional organizations.

15. United Nations peacekeeping missions often take place in volatile and difficult environments. They may be deployed into large countries with porous borders and required to maintain communication and supply lines across hostile and remote areas. In addition, while the paradigm of United Nations peacekeeping is based on the premise that a mission must enjoy the consent of the parties and that there must be a peace to keep, operations have frequently been deployed into situations without peace and where consent is either tenuous and/or eventually withdrawn by one or more of the parties. Increasingly risky and complex mandates are also more resource intensive, often requiring new approaches to mandated tasks, additional commitment and sacrifice. Where support supply lines are unreliable and conditions are harsh, United Nations troops often endure considerable hardship in performing these tasks.

16. As at 31 August 2012, there were 116,515 personnel spread across 16 operations, 96,305 of whom were uniformed personnel. The task of generating qualified personnel and sustaining, equipping and financing them is formidable. Matching capacity with mandates is a constant challenge and requires the contribution of a broad range of Member States.

17. The total funds allocated for peacekeeping operations have reflected the steady growth in the number and size of peacekeeping missions. Between 1991 and 2011, the overall envelope for peacekeeping increased from $400 million to $7.1 billion per annum, with a peak of $7.8 billion in 2009. Since 2008, the annual peacekeeping budget has remained at over $7 billion and, while some contraction is predicted in the coming years, it will likely remain in excess of $6 billion, with troop costs and equipment reimbursement accounting for around 25 per cent of the total. These figures represent a significant financial commitment on the part of Member States.

18. Yet, United Nations peacekeeping is, in relative terms, a highly cost-effective and efficient tool with many positive impacts. According to academic research, the presence of a peacekeeping operation has been shown to bolster growth in gross domestic product in conflict-affected areas and is proven to reduce the likelihood of

resurgence of conflict.[1] A 2007 RAND Corporation study called the United Nations a comparatively efficient and cost-effective force provider.[2] Similar conclusions have been drawn by other studies, such as a 2006 United States Government Accountability Office analysis of peacekeeping in Haiti, which concluded that a unilateral United States operation comparable in size and duration to the United Nations Stabilization Mission in Haiti would cost roughly twice as much as the Mission's budget.[3]

B. Peacekeeping partnership

19. United Nations peacekeeping is underpinned by the relationship among and between the Security Council, all Member States in the General Assembly and the Secretariat. This has been referred to as the peacekeeping partnership. The Security Council provides legal authority and political leverage, Member States contribute uniformed personnel and financial and material resources, and the Secretariat provides planning, management and specialist expertise at Headquarters and leads and manages missions on the ground.

20. For the partnership to be effective, the Security Council, the Member States as a whole and the Secretariat must all play their part. As peacekeeping has grown to record levels over the past decade, the partnership has come under strain. The Member States that set peacekeeping mandates in the Security Council, those that contribute vital personnel and equipment as troop and police contributors and those that provide the bulk of peacekeeping's financial support form largely distinct groups. This has led to a perception that there is a de facto division of labour, even though there is an overlap between these roles. For peacekeeping to succeed, there must be confidence that all are equally invested in the fulfilment of peacekeeping mandates.

21. The capacity of the United Nations to implement the ambitious mandates given by the Security Council needs to be strengthened. Continuous effort must be made to improve the effectiveness and efficiency of peacekeeping. Reimbursement to troop-contributing countries is one of the few remaining aspects of the peacekeeping management system that remains largely unchanged since the early 1970s. Reform of the reimbursement system provides an opportunity to address some of the challenges of contemporary peacekeeping. Three of them, outlined below, are particularly relevant in that respect.

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[1] See Anke Hoeffler, Seyda Shahbano Ijaz and Sarah von Billerbeck, "Post-Conflict Recovery and Peacebuilding", World Development Report Background Paper (Washington, D.C., World Bank, 2011), and Virgina Page Fortna, *Does Peacekeeping Work? Shaping Belligerents' Choices after Civil War* (Princeton, N.J., Princeton University Press, 2008).

[2] James Dobbins, "A comparative evaluation of United Nations peacekeeping", statement before the Subcommittee on International Organizations, Human Rights, and Oversight, Committee on Foreign Affairs, United States House of Representatives, 13 June 2007 (RAND Corporation, 2007).

[3] United States Government Accountability Office, "Peacekeeping: cost comparison of actual UN and hypothetical U.S. operations in Haiti", report to the Subcommittee on Oversight and Investigations, Committee on International Relations, United States House of Representatives, February 2006.

C. Challenges faced by peacekeeping

1. Mandates, resources, hardship and risks

22. Peacekeeping always entails risk. Over the past 10 years, a total of 831 uniformed personnel serving in peacekeeping missions have lost their lives through malicious acts, illness and accidents — ranging from a low of 49 casualties in 2007 to a peak of 101 in 2010. In 2011, 76 uniformed personnel serving under the United Nations flag lost their lives in the line of duty. In addition, peacekeepers deployed to remote and difficult locations are often required to endure considerable hardship due, among other things, to the absence of reliable supply lines and poor infrastructure.

23. Many peacekeeping missions are mandated to carry out tasks that have become increasingly more specific and detailed. One emerging feature of contemporary peacekeeping is the increased emphasis on the protection of civilians. In the eyes of the public, the effective protection of civilians is perhaps the key measure of a peacekeeping missions' performance. Approximately 90 per cent of the peacekeepers in the field today are deployed in the eight missions, which currently have the mandate to protect civilians. Protection mandates require greater mobility, forward deployments closer to the population and acceptance of higher degrees of risk.

24. Demanding and multifaceted mandates generate very high expectations on a mission both in absolute terms and in relation to the resources available to achieve them. Mandates implicitly assume resources that may not necessarily be readily available. Missions face challenges in securing key capabilities needed to fulfil their mandates.

25. Certain key highly specialized military assets, such as military helicopters, are available only from Member States. Too often they are not forthcoming. Reimbursement for the provision of highly specialized assets, often essential in challenging mission environments, are not currently covered under any existing system and require complex bilateral negotiations whenever they are sought. The Senior Advisory Group considers that a more systematic and transparent approach to the reimbursement of such assets is required and recommends that this issue be addressed in the appropriate forum to ensure that a well-functioning system is put in place without delay.

26. Some peacekeeping missions entail a higher level of risks for the troops and other personnel than others. The reimbursement system should recognize the different levels of risks incurred by troops in different United Nations missions, with the objective of securing broader and more effective participation in the full range of missions, including the most demanding ones.

2. Configuration, efficiency and effectiveness

27. The multidimensional mandates of United Nations peacekeeping have made an important contribution over the past two decades to post-conflict stabilization. United Nations peacekeeping is dynamic. The configuration of peacekeeping missions must therefore adapt to changing needs. The United Nations has initiated several reforms to improve its ability to respond to evolving requirements. On the civilian side, for example, the civilian capacity review is one welcome initiative

aimed at improving the range and quality of expertise needed for effective peacebuilding, but it will not address all the staffing challenges in missions. There has been progress over the past 10 years in the use of police in peacekeeping missions, with the emerging use of formed police units as well as the deployment of specialized police and corrections capabilities. However, further development is still needed to improve the skills and effectiveness of the United Nations police. In terms of logistics and other support to the field, the global field support strategy is an initiative that will help to strengthen some of the logistical and administrative systems. Efforts to improve performance should not end with the implementation of these measures. As peacekeeping continues to evolve, the Secretariat must continuously adapt to better respond to the needs on the ground.

28. The basic military model and force requirements of United Nations peacekeeping also needs to evolve. Historically, it has been based on deployments of infantry battalions into relatively static configurations. Yet demands in the field call for ever-more mobile and responsive forces as well as more tailored, dynamic approaches to address the specific operational requirements of different missions. This requires a range of force-generation possibilities. There are several ways in which the United Nations military configuration should evolve. The potential capability of peacekeeping may need to be broadened in some cases to include more riverine and naval capacity. Some national militaries are developing integrated structures for their deployments, bringing together infantry, engineering and support in ways that do not easily fit with the existing United Nations force-generation process. The force-generation process needs a significant overhaul to adapt to the changing needs.

29. In addition, key enablers, such as medical capability, technological support, engineering, intelligence and analysis, are required to effectively implement the mandates, especially for force protection. Too often, peacekeeping troops are deployed without strategic reserves to call upon, yet they are expected to defend themselves and the mandate, and to protect civilians, with all necessary means up to and including the use of force. The lack of reliable reserves limits their ability to manage any escalation that may result from the use of force. Equally important is the trend towards more inter-mission cooperation and sharing of assets.

30. Military components should have the capacities required to implement fully the tasks and mandates they receive. This will place demands on troop- and police-contributing countries to ensure that their personnel are trained and equipped to the necessary standards and with the capabilities required in operationally, as well as politically, challenging environments.

31. Another emerging trend involves greater partnership and burden-sharing between the United Nations and regional organizations, which requires increasing interoperability.

32. The United Nations must also adapt and respond to changing global economic dynamics. Major financial contributors are facing economic challenges at home and emerging economies are expanding their reach and influence. It is in the interest of all that the financial resources contributed by all Member States to peacekeeping be used wisely.

33. The reimbursement system should be designed to support cost-effective and efficient approaches to the configuration of peacekeeping missions, by, for instance,

providing for differentiated reimbursement for various types of requirements for United Nations peacekeeping.

3. Securing and expanding the range and capability of troop contributors

34. The majority of uniformed personnel in peacekeeping operations are currently being drawn from a relatively small number of major troop- and police-contributing countries. These contributors have shouldered the burden of meeting the great surge in demand for troops and police over the past decade. They deserve recognition and commendation by the international community.

35. Operations continue to face shortages of key capacities in some of the most difficult mission environments. Mandates require well-prepared and well-equipped mobile troops, and critical assets such as military helicopters. Procuring these assets remains a particularly difficult challenge, while engineering and other niche capacities are also often in short supply or insufficiently supported.

36. For many years now, the United Nations has been unable to draw upon the full range of capabilities that its Member States have been able to provide. Even as mandates and operating environments become more risky, a situation has evolved wherein some Member States with the highest military capabilities, including those traditionally involved in peacekeeping, have not deployed under the United Nations flag in significant numbers for many years. Missions are obliged to make do with gaps in capabilities. They must also do without the political leverage that a wider range of troop- and police-contributing countries could provide, since the presence of troops on the ground sends a strong political signal to the parties that the contributing countries are directly committed to the peace process. Some countries have their own reasons for not providing uniformed personnel to peacekeeping and contribute in other ways that deserve acknowledgement and respect, but every Member State has an obligation to support peacekeeping to the extent that it is able.

37. The reimbursement system should be structured to support the contribution of a sufficient quantity of specialized capacities and units to meet the demands of contemporary peacekeeping mandates. This requires sustaining and supporting the current pool of countries offering troops while also expanding the base.

D. Mutual obligations of troop-contributing countries and the United Nations

38. When countries decide to offer uniformed personnel to the United Nations, they accept a certain number of obligations vis-à-vis the United Nations. Member States and the Secretariat also have a set of obligations towards the contributing countries. Under what could be described as a "compact", the troop-contributing countries undertake:

- To provide properly prepared personnel and equipment, as described in the agreement they sign with the United Nations
- To direct their troops to fulfil diligently the tasks assigned to them by the mission leadership and accept the risks involved in doing so
- To ensure that their personnel respect the values and codes of behaviour of the United Nations

In turn, they are entitled:

- To enjoy the respect, gratitude and recognition of the United Nations
- To have their voices heard and taken into account in the development and implementation of the mandates
- To receive adequate logistical, material and other support prior to and during deployment
- To receive reimbursement for the additional costs they incur for serving under United Nations command

39. These obligations are generally understood but are not codified in any one United Nations document. There would be merit in making this compact more explicit.

40. The financial dimension is a critical aspect of the compact between the United Nations and troop and police contributors. Solving the question of reimbursement is not sufficient, however, to sustain this compact.

41. Troop-contributing countries deserve better recognition for putting their personnel at the service of the United Nations. Troop- and police-contributing countries have differing reasons and motivations for deploying their personnel to peacekeeping. Some contribute because of a national policy of multilateral engagement and support for the United Nations itself, others because they have national or regional interests at stake in a given peacekeeping mission. All are deserving of the international community's respect and appreciation for contributing to a collective effort in pursuit of peace and security.

42. The voice of troop-contributing countries must also be heard and their views taken into account. The current mechanisms in place for consultations between troop-contributing countries and the Security Council, as well as the Secretariat, have not fully met the desire to play a more active role in the consideration of missions' military mandates and their implementation. Some, mainly informal, methods have in fact advanced over the past two years. The Secretariat has undertaken to brief troop- and police-contributing countries before and after major assessments of missions. The informal Security Council working group also meets with troop- and police-contributing countries to discuss issues of common concern. In addition, the Council has increased its interaction with those countries prior to mandating missions (see S/2010/507). Further efforts could be made to make these interactions more systematic and action-oriented.

43. Peacekeepers must have the appropriate training, skills, equipment and mobility to meet the demands of today's complex peacekeeping operations.

44. Most troop-contributing countries make every effort to prepare their soldiers adequately and provide the equipment and material support required. And yet, there are examples from the field of contingents arriving in theatre without proper training and without the promised equipment and support. There have also been instances where troops have been unable to perform competently the tasks assigned to them. Some troop-contributing countries place restrictions on the use of their troops. These restrictions keep them out of action when their contribution is often most needed, putting at risk other contingents and the mission itself.

45. Support in the field is often deficient with, for instance, significant delays in the delivery of key equipment, dangerous inefficiencies because of incompatible support material or inadequate living conditions for troops and other uniformed personnel. The global field support strategy is a welcome attempt to solve some of these issues. Much more is needed, particularly at the mission level, to ensure that the uniformed elements are equipped and supported for the tasks they are required to execute.

46. The vast majority of the tens of thousands of peacekeeping personnel in the field today are performing with great diligence and professionalism, enduring hardship and danger in the cause of peace. Peacekeeping demands the highest standards of behaviour from all staff — both uniformed and civilian. However, there have been and continue to be instances of sexual misconduct perpetrated by military, police and civilian personnel. Such cases cause irreparable damage to the reputation of the United Nations collectively but, more importantly undermine the objectives of peacekeeping on the ground. The perpetrators form a very small minority among peacekeepers, yet even a single case can tarnish an entire mission and undermine its effectiveness. There has been a decline in the number of reported allegations concerning uniformed personnel since 2007. In order to ensure the continuation of this trend, active training and strong command leadership is essential, as are strong disciplinary measures against culprits. More also needs to be done to ensure that information is disseminated widely when allegations have proved to be unsubstantiated. The provision of appropriate welfare and recreation facilities for personnel contributes to high morale and discipline.

47. The peacekeeping "compact" should be underpinned by proper assessment and verification to ensure that the obligations are met on all sides. This would entail:

- Verification, at the predeployment stage, of the level of skills, training and preparedness of uniformed personnel
- Periodic review of operational efficiency, including proper application of the rules of engagement, adequacy of equipment and quality of logistical support
- After-action analysis to enable lessons to be learned and corrective feedback for future deployments

48. These mechanisms are essential to ensure that peacekeeping mandates are delivered effectively. Sufficient resources should be allocated to this vital function. This requires action from both troop-contributing countries and the Secretariat.

49. Fair, equitable and adequate and transparent reimbursement is an essential element in the set of mutual obligations that bind the Organization to its troop contributors and is the focus of the present report. What is the basis of the reimbursement rates and what methodology should be used to establish how they should be adjusted over time? How should the reimbursement system be structured? What is the process for paying contributing countries? These are the questions addressed in the following chapters.

II. Troop reimbursement system

50. The partnership underpinning United Nations peacekeeping aims to deliver a global good that is of benefit to the entire membership of the United Nations. This

partnership is based on a set of mutual obligations, which is referred to in the present report as a "compact". An effective reimbursement system is a fundamental element of that compact.

51. The system of standard rates of reimbursement, established with effect from October 1974, introduced equality of payment for the provision of troops to peacekeeping missions. In its resolution 55/274, the General Assembly cited several principles upon which the reimbursement system could be based. These included simplicity, equity, transparency, comprehensiveness, portability, financial control and audit, and confirmed delivery of specified services. The same resolution also stated that the purpose of collecting cost data was to identify common and essential additional costs incurred in deploying to a peacekeeping operation.

52. Resolution 55/274 has guided the Group's considerations and informed the development of the proposals and recommendations set out in the sections below. The goal of the Group was to develop proposals that would ensure an effective, equitable and predictable reimbursement system that contributes to attracting and retaining well-trained, properly equipped and adequately supported troops and formed police for service in United Nations peacekeeping operations.

A. Immediate steps

53. The Senior Advisory Group notes that the General Assembly approved supplemental payments on account of troop costs in the past two financial years, while identifying savings in the peacekeeping budgets. **The Group recommends that, in the period before the new rates determined through the revised methodology enter into effect, the Assembly continue this dual-track approach. Therefore:**

- **The Group recommends a continuation of the supplementary payment equal to 6.75 per cent of the base rate of $1,028 per person per month, from 1 April 2013 to 30 June 2014**
- **In the interest of effective peacekeeping and to facilitate this payment, the Group further recommends that, from 1 April 2013, the typical rotation period be set at 12 months, except in cases where the Secretary-General determines that operational circumstances and requirements demand otherwise**
- **The Group recommends that, from 1 April 2013, to the extent that major equipment specified in relevant memorandums of understanding is absent or non-functional, thereby affecting the ability of a contingent to perform the responsibilities required of it, the rate of reimbursement to the troop- or police-contributing country be reduced proportionally.**

B. The new system

1. Methodology used in establishing the standard rate of reimbursement

54. To be credible and sustainable, the system for reimbursing troop-contributing countries needs to include two key elements: first, it must have a factual basis, grounded in the reality of the actual costs incurred; and second, there needs to be a

transparent process for periodic adjustment and review. The goal of the data collection and analysis is to provide Member States with a credible basis against which a standard rate for the common and essential additional costs of deploying to peacekeeping operations can be agreed.

Questionnaire

55. Since the late 1970s, the United Nations has had difficulty gathering reliable cost data. The method used has been to solicit information on the costs related to deployment from all troop-contributing countries. Since 2001, efforts have been made to redesign the survey through a more detailed and extensive questionnaire and a four-year data-collection exercise to establish a baseline. There was also an attempt to provide more interactivity in the survey process through an e-mail help desk facility. The revised methodology — including the questionnaire — was approved by the General Assembly in 2009 in resolution 63/285.

56. The current questionnaire asks for data on:

- Pay and allowances
- Clothing, gear and equipment
- Predeployment medical expenses
- Inland transportation
- Any other daily allowance

57. The approved methodology also requires a threshold for responses: either 60 per cent of all police- and troop-contributing countries or 25 per cent of all troops deployed in the three years prior to the survey. While the content of the questionnaire is technically sound, based on the first two years of implementation it seems clear that the survey process is encountering a number of problems, as summarized below:

(a) Low response rate. More than two years after the launch, only 25 countries out of a total sample size of 84 have responded to the 2010 survey. The responses meet the threshold of 25 per cent of total troops deployed in the three years prior to the survey date but not the 60 per cent of police- and troop-contributing countries. For 2011, 15 out of a total sample size of 73 have submitted responses, which fail to meet either threshold;

(b) Incomplete data. In addition to a low rate of response, there are also issues around incomplete and inconsistent information. Some responses contain no data on an entire section (for example pay and allowances), and within sections many of the questionnaires received have been only partially completed. The inconsistency of information provided makes analysis and comparison very difficult and calls into question the empirical validity of the data;

(c) Relevance and complexity of data requested. The questionnaire asks for a great deal of in-depth and detailed data which is not all relevant. Some of the cost information requested does not meet the definition of additional costs, for example salaries. On the other hand, other significant costs incurred by police- and troop-contributing countries in order to deploy are not part of the survey at all, most notably United Nations-mandated peacekeeping training. In the section on clothing, gear and equipment, out of around 105 items listed in the questionnaire, most

police- and troop-contributing countries have provided data on only a selection of these. The complexity of the data requested makes definitive analysis very difficult;

(d) Time frame. The methodology aims to establish a baseline over a four-year period. Subsequent surveys would be carried out at three-year intervals. The survey process is therefore very lengthy and has yet to yield any results;

(e) Feedback. Despite the addition of an e-mail help desk facility in the methodology approved in 2009, the process does not provide any proactive assistance in completing the questionnaire; in other words there is no human element to assist responding countries in putting together meaningful information. The lack of interactivity and engagement increases the likelihood of incomplete data and makes comparability more difficult.

58. While retaining elements of the current survey, the Group recommends a different approach to gathering and analysing data on the common and essential additional costs incurred by police- and troop-contributing countries to provide the General Assembly with more useful information on which to base its decisions.

59. Building on the content of the existing questionnaire, which was developed with and validated by military as well as statistical experts, this new approach should:

- Elicit more complete and comprehensive data, better suited for comparative analysis and meaningful review
- Reflect the different nature and cost structures of the universe of troop-contributing countries
- Generate accurate responses
- Allow for a degree of verification and control
- Be faster and more responsive to changing circumstances

60. **The Senior Advisory Group recommends a more targeted and interactive approach that would link the data-collection process more closely with the analysis and would include:**

- **Data collection from a smaller sample of countries representative of the full range of troop contributions**
- **A more focused set of questions that would facilitate a more meaningful analytical review**
- **An interactive data-gathering exercise that would allow for explanations and clarifications as well as direct engagement with sample countries**
- **The possibility of accessing open-source information for comparison**
- **A one-year time period for data collection, analysis and review**
- **Sign-off of the data by the highest-ranking financial official in the relevant ministry**

Sample

61. Central to the viability of a proposed new data-gathering process will be the methodology for selecting a smaller set of sample countries, which is both diverse

and representative of the entire population of police- and troop-contributing countries.

62. A sample of 10 countries would be drawn from the top 20 contributors over the prior three-year period and would include countries from four broad income categories (high, high-medium, low-medium and low, based on World Bank data and classification).

63. The number of sample countries from each income category would be in proportion to the total number of troops and formed police units coming from each of these income categories. As an illustration, based on contribution levels from 2008-2011, the sample 10 countries would include one high-income, two high-medium-income, four low-medium-income and three low-income troop- or police-contributing countries.

64. The sample countries would need to comprise a collective minimum of 50 per cent of troop and police contributions over the prior three-year period.

65. Sample countries must be willing to provide the required data with the assistance of the survey team.

66. There would be full transparency in the selection of the sample countries and the final list would be communicated to the General Assembly. In the first instance, the Secretary-General would solicit interest from Member States, which would indicate their willingness to participate. The Secretary-General's task would be to ensure that the composition of the sample meets the criteria, including that they collectively fulfil the threshold of 50 per cent of all troops contributed. In the event that there were more countries willing to participate, additional considerations would be taken into account, such as the range and type of contribution.

Data

67. Data would be collected on four categories of additional cost already included in the current questionnaire: allowances; clothing, gear and equipment; predeployment medical expenses; and inland travel. The Senior Advisory Group proposes that information on the costs of providing United Nations-mandated training specific to deploying to peacekeeping operations would also be solicited. Including this category is essential, since this is an area of additional expenditure by police- and troop-contributing countries that directly affects performance on the ground. Countries would also be asked about any additional and unforeseen expenses that they may have incurred in deploying to peacekeeping within each category.

68. As provided for in the current survey, approved in General Assembly resolution 63/285, the data collected would include information on the amount and number of overseas allowances and other costs paid to senior officers and would be included in the presentation of the cost data to Member States. In the current system, countries are compensated at a higher rate for a fixed proportion of individuals assumed to be at a higher rank: 10 per cent of basic infantry battalions and formed police units and 25 per cent of logistics units receive an additional $303 per month.

Method

69. A small dedicated team with the relevant skills, knowledge and expertise, including in finance, military budgeting and statistics, would assist in the data-collection process by undertaking visits to the sample countries and working with the relevant counterparts in the sample countries to gather the data. This team, working quickly and responsively, should be able to complete the exercise within a period of 12 months.

70. A simplified and pared-down version of the existing questionnaire, with the addition of questions relating to training, would be sent in advance to the participating countries before a more targeted follow-up meeting to review the detailed cost information. The administration of the questionnaire in person would aim at clarifying responses so that the information was valid and comparable. It would also provide an opportunity to ask any specific follow-up questions. A more interactive face-to-face approach would help address any inconsistencies, assist the troop-contributing countries in collating disparate information and build in verification steps so as to ensure that the data collected are valid.

Presentation

71. The data collected from each of the sample countries would be collated and the aggregated costs would be presented by category (i.e. allowances, kit and equipment, predeployment medical expenses, in-country travel and training) for each country. The overall monthly cost for each sample country would also be presented.

72. This approach would allow the General Assembly to get a full picture of the costs in each of the representative countries rather than an average or median cost figure.[4] Detailed and comprehensive information would allow for thorough and informed review. Individual countries should not, however, be identified in the presentation of the data-collection exercise, in order to address legitimate concerns over the confidentiality and sensitivity of data.

73. The cost information provided would be for an identical time period to allow for comparability and for standard exchange rates to be applied so an equivalent dollar cost could be calculated.

Review

74. The second fundamental element is a process for periodic adjustment and review. One of the major flaws in the current system is its lack of predictability. Increases have been ad hoc and have involved often difficult negotiated processes among Member States.

75. The disadvantages of not having a predictable system for review are apparent, not least in the need to create the Senior Advisory Group to conduct a review. The lack of predictability also contributes to political uncertainty within national legislative and budget-setting processes.

[4] The presentation of survey results by the Secretary-General in 1990 (A/45/582) is broadly in line with this approach.

76. The Group recommends that once a new base has been approved, there should be a full review, with data gathered from a newly selected sample, every four years.

2. Structure of reimbursement

The current structure

77. In addition to the standard per person rate paid, the reimbursement system also contains a number of refinements, including supplemental payments. As well as considering how to come up with an agreed rate, the Senior Advisory Group looked at ways to link the structure of the payment to recognize the changing demands of peacekeeping mandates, including increased risk and the need for specialist capacities.

78. The current structure of the troop reimbursement system has its origins in a decision of the General Assembly dating back to 1974. A base rate of reimbursement was established per contingent member per month, along with an additional supplement for a designated proportion of "specialists" within the total deployment. These amounts were paid directly to the contributing country upon certification by the mission that the troops were physically deployed to the theatre of operations. In 1977, a usage factor for personal clothing, gear and weaponry was added to the other standard rates. In recent years, additional amounts have been added to cover the costs of meeting minimum welfare standards. At the same time, a daily allowance and recreational leave allowance is paid directly to each of the individual contingent members to cover incidental expenses and, most recently, an allowance for leave taken outside the mission. The current structure of the standard reimbursement system is summarized in table 2.

79. The reimbursement system was introduced at a time when the United Nations was responsible for just two missions fulfilling mandates for monitoring ceasefire agreements and patrolling disengagement lines. At that time only 13 countries were providing troops to those operations. Nearly 40 years later, the same system is applied, with minor modification, to the reimbursement of approximately 100,000 troops and members of formed police units from more than 70 countries across 16 multidimensional operations around the world. It is one of the few remaining aspects of the peacekeeping management system which has not been reviewed and adjusted.

Table 2
Standard reimbursement system

	Amount (United States dollars)	*Date of most recent adjustment*
Paid to troop-contributing countries (per month per contingent member)		
Pay and allowances	1 028.00	2002
Supplementary pay for specialists	303.00	2002
Usage factor for personal clothing, gear and equipment	68.00	2002
Usage factor for personal weaponry	5.00	2002
Welfare reimbursement	6.31	2009

	Amount (United States dollars)	*Date of most recent adjustment*
Internet access	2.76	2009
Paid to individual troops (per day per contingent member)		
Daily allowance	1.28	1974
Recreational leave allowance	10.50	2009

80. The Senior Advisory Group believes there is an opportunity to revise the existing structure of the reimbursement system to better reflect the requirements of modern-day peacekeeping. The current structure does not distinguish between types of mission or the risk levels assumed by countries contributing forces to those missions. It is also not designed to ensure that United Nations operations — more diverse, complex and dispersed than 40 years ago — have the right kinds of military expertise at their disposal. In addition, some of the individual elements do not achieve their purpose:

- The "specialist" supplement does not reimburse for specialties as such, but compensates countries for a fixed proportion of individuals of higher rank
- The recently added welfare element is not always matched by a commensurate investment in welfare expenditure on the ground

A new structure

Standard per capita base rate structure

81. **The Senior Advisory Group recommends retaining a standard per capita base rate structure to reimburse the costs of the military and formed police unit deployment.** A universally applied per capita rate continues to offer a simple and equitable basis for reimbursing countries that provide troops and formed police unit members for service in United Nations missions.

82. The Senior Advisory Group reviewed the possibility of introducing a system that reimburses countries for the provision of units rather than individuals. At this stage however, the process of force generation is not yet organized to facilitate reimbursement by unit. This should be a priority for the Secretariat. Many troop-contributing countries would need time to adapt to such an approach.

A premium for contingents willing to take higher risk

83. Uniformed personnel should be rewarded when they have performed in situations of exceptional risk. **The Senior Advisory Group recommends that the Secretary-General be authorized to award bonuses to individual units that are operating without restrictions and caveats imposed by troop- and police-contributing countries and that have acquitted themselves well despite exceptional levels of risk. The annual aggregate amount of such awards would be no greater than an amount equal to a 10 per cent premium paid to 10 per cent of the average number of contingent personnel deployed during that peacekeeping fiscal year. These awards would be paid at the conclusion of service directly to the relevant individual contingent members. The Secretary-General would decide awards quarterly.**

84. Some contributing countries apply caveats or restrictions on the deployment of their soldiers in order to mitigate or minimize risk. This can have a detrimental effect on overall mission effectiveness and mandate implementation. The purpose of the premium should be to encourage and reward countries for assuming higher levels of risk and would, therefore, not be available for countries that impose restrictions on deployment.

85. Uniformed personnel, by virtue of their professional experience and training along with their protective equipment, are expected to operate in hostile environments, endure hardship and a certain degree of challenge. The Secretary-General should take into account the following factors when deciding to award the risk premium:

- An exceptional and sustained level of danger to life, property and premises from hostile actions by parties to a conflict, spoilers, potential aggressors or warlords
- High levels of threat of death or injury due to mines, improvised explosive devices or unexploded ordinance
- The likelihood of frequent hostage-taking, sniping and attacks on posts or mobile columns
- The lethality of different weapon systems available to parties on the ground
- The likelihood of United Nations forces being frequently involved in robust military engagement
- Serious deficiencies in the logistics infrastructure (e.g. medical, communications, transportation) and challenges to self-sustainment to the extent that this will contribute to an elevated threat level

Premium for key enabling capacities

86. Within military and formed police unit contingents, there are certain enabling capacities that are in higher demand and require a greater investment in training, costing a contributing country more to provide. By making these units available to the United Nations, a contributing country also incurs an opportunity cost, since they are not available for deployment elsewhere. The Senior Advisory Group has concluded that the modernized troop cost reimbursement regime should be adapted to reflect this.

87. Recent experience in mission establishment shows that securing the early provision of enablers at the outset of a mission is critical in developing early capability and allows for quicker deployment of all other components. In addition, there are essential capacities that are required for the continued effective functioning of the mission that are often in short supply. For example aviation units and level II and level III hospitals have proven particularly difficult to obtain.

88. From an operational standpoint, the flexibility achieved when troop contributions are not limited to a single mission offers the United Nations considerable advantages. Missions can better respond to security threats if they are able to call on back-up capability from United Nations forces deployed to other missions in the immediate vicinity without administrative or procedural constraints. This is a benefit that the Organization should be prepared to pay for.

89. In addition, there are a number of specialized capacities that are highly sought after within the formed police unit deployments.

90. **The Senior Advisory Group recommends that a premium be paid for the provision of a limited number of key enabling capabilities that are in high demand and short supply. The Secretary-General would decide from time to time and mission by mission which enabling capacities, if any, would qualify and the size of the premium in each case. The annual aggregate amount of such premiums would be no greater than an amount equal to a 15 per cent premium paid to 20 per cent of the average number of contingent personnel deployed during that peacekeeping fiscal year.**

91. In the longer term, the Senior Advisory Group recognizes that the structure of the reimbursement system should adapt with the times, while remaining true to the agreed-upon purpose of reimbursing "common and essential additional costs" on an equitable basis. As part of its review, the Group examined the possibility of reimbursing countries for the provision of units rather than by individual headcount. Among some troop- and police-contributing countries, there is a trend towards providing integrated units for the delivery of specified tasks or elements of a mandate. However, for such an approach to work in practice, certain prerequisites would need to be met. Units would need to meet predefined standards in terms of training, performance and equipment. Furthermore, contributing countries would need to make a clear commitment to deliver specific services. This is broadly consistent with concepts discussed in the Special Committee on Peacekeeping Operations in recent years. The Group believes that the reimbursement system should evolve in line with progress in this area.

Clothing, gear and personal weaponry

92. The current separation of the two personal kit elements ($68 usage factor for personal clothing, gear and equipment and $5 for personal weaponry — outlined in table 2) reflects the fragmented evolution of the current reimbursement system. The General Assembly in resolution 63/285 provided for a consolidation of these elements into the base rate. The data on these costs will be collected from the sample countries and identified separately to the Assembly as part of the data provided for review.

93. **The Senior Advisory Group recommends that the reimbursement for clothing, gear and personal weaponry be consolidated in the new base rate.**

Payment of reimbursement for welfare through missions

94. Reimbursement to individual contingent members for welfare and Internet access was introduced in 2009. The General Assembly, in paragraph 25 of its resolution 65/289, also stressed the importance of welfare arrangements for all personnel deployed to peacekeeping missions. The purpose of the welfare payment is to ensure that troops and formed police unit members are occupied in their off-duty periods in healthy, productive endeavours.

95. The Senior Advisory Group is concerned that the levels of actual expenditure on welfare arrangements are uneven and do not always enable the recommended minimum standards to be met. Direct payment of these sums to a mission for disbursement to individual commanders is more likely to ensure that the original

intent of the reimbursement is achieved and to improve consistency between different national contingents. Control measures could be introduced at the mission level to ensure that welfare arrangements are efficient and effective mission-wide.

96. **The Senior Advisory Group recommends that amounts allocated to provide contingents with welfare be disbursed at the mission level.**

97. Concerning the payment for Internet access, a slightly different issue arises given that each troop-contributing country receives an amount to cover the costs of providing this service to their troops. Securing this service in fragile post-conflict settings is often difficult owing to the lack of available, reliable service providers on the ground. In addition, economies of scale are not maximized since each individual contingent is responsible for putting in place its own arrangements. The Senior Advisory Group believes that it would be altogether more efficient and equitable if the missions were to take full responsibility for providing Internet access within the budget allocated.

98. **The Senior Advisory Group recommends that amounts allocated for the provision of Internet access for troops and formed police unit contingents be administered at the mission level.**

99. There are two other allowances paid directly to troops (the small daily allowance that has been part of the system since its inception and the recently introduced 15-day recreational leave allowance). These personal allowances represent an individual recognition by the United Nations of service in the cause of international peace and security that is welcomed by individual peacekeepers and strengthens the compact between the United Nations and its troops and police. In the case of the daily allowance, the Senior Advisory Group notes that the amount has not been revised for nearly 40 years. The General Assembly may wish to revise the level of this allowance.

III. Payments to troop-contributing countries

100. Independent of the actual rate and structure of reimbursement, there have also been some concerns from troop- and police-contributing countries about the timeliness and efficiency of the process for payment.

101. Under the current process, payments for contributions are made quarterly, subject to a requirement to maintain a three-month operating reserve for each mission. In 2011 a total of four scheduled quarterly payments were made for all active missions with sufficient cash resources. Reimbursement is reliant on the cash position of individual operations, which depends on the timely payment of assessed contributions by Member States.

102. Delayed reimbursement by the Secretariat is burdensome to troop- and police-contributing countries, which bear the brunt of the up-front costs of deployment and sustainment. This can be particularly difficult in the start-up phase of a mission and can have a negative impact on mandate implementation.

103. The Senior Advisory Group believes that the payment processes should facilitate, to the extent possible, effective deployment, particularly in a mission's start-up phase.

104. **The Senior Advisory Group recommends that the Secretary-General review current processes so as to facilitate more frequent reimbursement to troop and formed police contributors and requests the Secretary-General to redouble his efforts to encourage all Member States to pay their peacekeeping assessments on time in order to facilitate the timely reimbursement of police- and troop-contributing countries.**

IV. Conclusions and recommendations

105. The commitment by countries to United Nations peacekeeping represents a contribution to a global good: the maintenance of international peace and security. By putting forces at the disposal of the United Nations, contributing Member States are entering into a partnership with the rest of the membership and the Secretariat. This entails a range of responsibilities and obligations for all parties. Fair and equitable reimbursement for the costs incurred in making this contribution is a fundamental aspect of this partnership.

106. The central focus of the Senior Advisory Group's work has been to develop a credible, predictable, equitable reimbursement system. The Group firmly believes that the proposals in the present report will put reimbursement to troop- and police-contributing countries on a solid footing. Delivering a more sustainable system will also benefit the peacekeeping partnership, financially and politically.

107. **The recommendations of the Senior Advisory Group to that end are set out below.**

Immediate steps

108. **The Senior Advisory Group notes that the General Assembly approved supplemental payments on account of troop costs in the past two financial years, while identifying savings in the peacekeeping budgets. The Group recommends that, in the period before the new rates determined through the revised methodology enter into effect, the Assembly continue this dual-track approach. Therefore:**

(a) **The Group recommends a continuation of the supplementary payment equal to 6.75 per cent of the base rate of $1,028 per person per month, from 1 April 2013 to 30 June 2014;**

(b) **In the interest of both effective peacekeeping and to facilitate this payment, the Group further recommends that, from 1 April 2013, the typical rotation period be set at 12 months, except in cases where the Secretary-General determines that operational circumstances and requirements demand otherwise;**

(c) **The Group recommends that, from 1 April 2013, to the extent that major equipment specified in relevant memorandums of understanding is absent or non-functional, thereby affecting the ability of a contingent to perform the responsibilities required of it, the rate of reimbursement to the troop- or police-contributing countries be reduced proportionally.**

The new system

109. **The Senior Advisory Group recommends that the United Nations retain the standard per capita base rate structure for reimbursing the costs of military and formed police unit personnel deployment. The decision on the rate of reimbursement should have an empirical basis and to that end:**

(a) **Data should be collected on the common and essential additional costs incurred by contributing countries in deploying their forces to United Nations peacekeeping missions. Specifically, cost information would be collected on:**

- **Allowances**
- **Clothing, gear and equipment**
- **Predeployment medical expenses**
- **Inland travel**
- **Delivery of United Nations-mandated training**

(b) **Data should be collected from 10 countries to be drawn from the top 20 police- and troop-contributing countries, which should collectively account for a minimum of 50 per cent of total troops and police deployed over the three years prior to the survey. The sample 10 should include countries drawn from four income categories, in proportion to the total number of troops and formed police units coming from countries in each of the income categories;**

(c) **A small technical team should undertake field visits to assist the sample countries in the provision of data;**

(d) **Data should be submitted to the General Assembly according to cost category for each sample country.**

110. **The Senior Advisory Group recommends that once a new base has been approved, there should be a full review, with data gathered from a newly selected sample, every four years.**

Risk premium

111. **The Senior Advisory Group recommends that the Secretary-General be authorized to award bonuses to individual units that are operating without restrictions and caveats imposed by troop- and police-contributing countries and that have acquitted themselves well despite exceptional levels of risk.**

112. **The annual aggregate amount of such awards would be no greater than an amount equal to a 10 per cent premium paid to 10 per cent of the average number of contingent personnel deployed during the peacekeeping fiscal year.**

113. **Those awards would be paid at the conclusion of service directly to the relevant individual contingent members. The Secretary-General would decide on the awards quarterly.**

Premium for key enablers

114. **The Senior Advisory Group recommends that a premium be paid for the provision of a limited number of key enabling capabilities that are in high**

demand and short supply. The Secretary-General would decide from time to time and mission by mission which enabling capacities, if any, would qualify and the size of the premium in each case. The annual aggregate amount of such premiums would be no greater than an amount equal to a 15 per cent premium paid to 20 per cent of the average number of contingent personnel deployed during the peacekeeping fiscal year.

Clothing, gear and personal weaponry

115. **The reimbursement for the costs related to clothing, gear and equipment and personal weaponry should be incorporated into the base rate.**

Welfare

116. **The amounts allocated to provide contingents with minimum standards of welfare should be disbursed to the mission and earmarked specifically for that purpose.**

117. **The amounts allocated for the provision Internet access for contingents should be administered at the mission level.**

Compliance

118. **Systems should be put in place to ensure effective monitoring of predeployment training, operational readiness and the evaluation of mandate delivery.**

119. **Resources should be made available for proper verification and assessment throughout the life of the mission.**

120. **There are other dimensions of the vital relationship between the United Nations and troop-contributing countries that require urgent attention. The Senior Advisory Group recommends that:**

(a) **The compact among countries providing contingent personnel, the wider United Nations membership and the Secretariat be made more explicit through a document setting out the mutual obligations;**

(b) **The relevant intergovernmental bodies continue to examine ways of enhancing the role of troop- and police-contributing countries in determining the military dimension of peacekeeping mandates;**

(c) **The strategic planning and command functions of peacekeeping missions be examined, including the force generation process, with the purpose of establishing the optimum architecture necessary to provide for the complexity of contemporary peacekeeping mandates and responding to the specific needs of individual missions;**

(d) **The Secretariat, in close collaboration with contributing countries, redouble its efforts to ensure that troops and formed police unit members arrive in theatre properly equipped to deliver on peacekeeping mandates;**

(e) **Further attention be given to improving the efficiency and effectiveness of logistics support and supply lines;**

(f) Immediate and enhanced priority be given to predeployment training for troops and police being sent to peacekeeping operations;

(g) Investigations of allegations of misconduct and disciplinary procedures be accelerated, to the extent possible, and that strong and timely disciplinary measures be imposed where wrongdoing has occurred.